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No. 1051

In the

Supreme Court of the United States

OCTOBER TERM, 1966

UNION CARBIDE CORPORATION,

Petitioner,

vs.

E. I. du PONT de NEMOURS and COMPANY,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

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PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

Petitioner, Union Carbide Corporation, respectfully petitions for a writ of certiorari to the United States Court of Appeals for the Seventh Circuit in this case.

OPINIONS BELOW

The opinion of the Court of Appeals is reported at 369 F.2d 242 and is printed in the Appendix hereto, *infra*, p. 1a.

The opinion of the District Court for the Northern District of Illinois is reported at 250 F. Supp. 816 and is printed in the Appendix, *infra*, p. 9a.

The opinion of the District Court for the Southern District of Illinois in the companion case is reported at 238 F. Supp. 540. The post-judgment order entered in the Southern District is not reported but is printed in the Appendix, *infra*, p. 17a.

JURISDICTION

The judgment of the Court of Appeals was entered on November 15, 1966, and became final on January 6, 1967, upon denial of a timely petition for rehearing. The mandate of the Court of Appeals has been stayed to February 11, 1967, to permit the filing of this petition.

The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

QUESTIONS PRESENTED

1. Is the time ripe for this Court to establish the guidelines for application of the doctrine of collateral estoppel by judgment, or shall the exceptions and technical refinements continue to proliferate so that parties may relitigate issues to the limits of their ingenuity in shifting forums and rephrasing causes of action?

2. Where, after prevailing in an interference, a patentee circumvented public use proceedings in the United States Patent Office and obtained his patent by claiming the benefit of an application filed within a year of the public use, and where a United States District Court in subsequent review proceedings under 35 U.S.C. § 146 confirmed the priority of the patentee but found that the method disclosed in the said application was "unworkable," and where the patent owner after an unsuccessful attempt by post-judgment proceedings to vacate this adverse finding acquiesced therein by failing to take an

appeal, does not the doctrine of collateral estoppel by judgment apply to the specific fact finding of unworkability in a subsequent infringement suit between the same parties?

3. What should be the place of the so-called "rule of essentiality to the judgment" in the doctrine of collateral estoppel?

(Does the rule mean that a judicial finding was "essential", and therefore binding between the parties, if it was actually presented, litigated and decided in the prior case [*e.g., Railroad Companies* v. *Schutte,* 103 U.S. 118, 143 (1880)], or does it mean that only "necessary" or "foreseeably important" or "ultimate" findings are binding?)

4. Does a court's deliberate finding of fact in the context of a credibility issue lose all effect when the identical fact question arises between the same parties before a subsequent court in the context of a patent validity issue?

(Is *Becher* v. *Contoure Labs.,* 279 U.S. 388 [1929], still good law, or shall this Court permit the abolition of collateral estoppel in patent cases?)

5. Is the doctrine of collateral estoppel inoperative as to a specific finding of fact merely because in the previous litigation between the parties the finding was not re-examined by a court of review?

(Should the federal courts follow this Court's decisions in, *e.g., Johnson Co.* v. *Wharton,* 152 U.S. 252 [1894], and *United States* v. *Munsingwear,* 340 U.S. 36 [1950], or should they follow the contrary view in the Restatement of Judgments, § 69(2), comment c?)

STATUTES INVOLVED

35 United States Code, § 102.

"A person shall be entitled to a patent unless—

"(b) the invention was . . . in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States. . . ."

35 United States Code, § 112.

"The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention."

35 United States Code, § 120.

"An application for patent for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in an application previously filed in the United States by the same inventor shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application."

STATEMENT OF THE CASE

Petitioner was sued by respondent in 1965 in the United States District Court for the Northern District of Illinois for alleged infringement of three patents. The basis for

federal jurisdiction of the suit in the first instance was 28 U.S.C. § 1338(a).

The District Court held one of the patents, the "Traver" patent, invalid on the basis of a finding of fact made in the decision of a prior suit where the same parties had contested priority of inventorship as to certain subject matter of that patent (*infra,* p. 16a). The Court of Appeals reversed and held that the respondent patent owner could relitigate the fact question in the infringement case even though the same question had been fully submitted and twice carefully decided against respondent in the earlier inventorship case (*infra,* p. 1a).

The controversy between these parties over the Traver patent started in 1953 with the declaration of an interference in the Patent Office between Traver and rival inventors, including Adams and Wakefield, petitioner's applicants (R. p. 189).* Although Traver was awarded priority by the Board of Patent Interferences, the Board also found that the invention had been used commercially by Traver in March 1950 and that an application filed by him in October 1950 neither expressly nor inherently disclosed the invention. (R. pp. 64-66) This signalled the beginning of strenuous efforts by Traver, and later respondent, to change or avoid these crucial findings since any patent issued on Traver's 1953 application involved in the interference would obviously be invalid in view of the 1950 public use.

Traver unsuccessfully petitioned the Board three times to change its ruling as to the disclosure of the 1950 application (R. pp. 233-4). Traver next requested the Commissioner of Patents to overrule the Board, but again

* "R. p." designates the printed Appendix on appeal in the certified record from the Court below.

without success (R. p. 231). Public use proceedings were then initiated but sidestepped by Traver (R. pp. 204, 212, 218, 223). He gave up the claims which he won in the interference and requested some newly rewritten ones, claiming the benefit and filing date of his 1950 application for the avowed purpose of eliminating "all question of a prior use bar" (R. pp. 181-8). Acting *ex parte,* Traver persuaded an Acting Examiner to allow the rewritten claims (R. p. 222) and the patent issued.

When the *inter partes* priority contest was resumed in civil review proceedings under 35 U.S.C. § 146 in the United States District Court for the Southern District of Illinois, that court (the Honorable Frederick O. Mercer) agreed with the Patent Office Board that Traver was the first inventor, and that Traver's 1950 application did not disclose the invention, specifically finding that it described an unworkable method (238 F. Supp. 544). Because of the limitations of his jurisdiction (R. p. 171, 238 F. Supp. 546), Judge Mercer could not and did not declare the Traver patent invalid because of the 1950 commercial use. However, respondent recognized that the unworkability finding effectively invalidated its patent and petitioned Judge Mercer to change or withdraw it from his opinion (R. p. 142). This move was again vigorously opposed by petitioner (R. p. 145). After full resubmission of the matter, Judge Mercer refused to change his mind, ruling from the expert testimony and demonstrations in open court that the evidence was "incontestable" and that there was "no error" in the finding (*infra,* p. 17a). Respondent acquiesced in the post-judgment decision. It did not ask for a rehearing and made no effort to reopen the proofs or to appeal. Instead, respondent very shortly thereafter instituted this action in another forum.

Upon the filing of the instant case, petitioner immediately moved for summary judgment on the basis of Judge Mercer's findings (R. p. 6). The District Court, the Honorable Abraham L. Marovitz, granted the motion, holding that under the doctrine of collateral estoppel by judgment, respondent was not entitled to relitigate with petitioner the material facts on which the motion was based (*infra,* p. 10a). Judge Marovitz, accepting Judge Mercer's finding of unworkability, decided that Traver's 1950 application was not effective because an unworkable disclosure does not meet the requirement in 35 U.S.C. § 112 for a full description of the invention (*infra,* p. 14a). He therefore concluded that the patent was invalid under 35 U.S.C. § 102(b) because of the public use more than one year before an effective application was filed (*infra,* p. 16a).

The Court of Appeals reversed because it disagreed with the application of the doctrine of collateral estoppel by the District Court (*infra,* p. 8a). The Court of Appeals admitted that Judge Mercer had made the unworkability finding but seemed to think that it related only to a credibility issue, that it was not "essential", and that the estoppel effect of Judge Mercer's decision should be determined solely by what was in his judgment (*infra,* pp. 7a-8a). The Court's opinion refuses to acknowledge the difference between res judicata and collateral estoppel by failing to recognize the clear distinction between validity of a patent as a conclusion of law and the findings of fact from which this conclusion is drawn.

REASONS FOR GRANTING THE WRIT

The single fact question involved in this case has been contested seven times between these parties, and seven times it has been decided against respondent—first in

the administrative proceedings of the Patent Office and then in the courts, as explained above. But the decision of the Court of Appeals permits respondent to ignore the prior rulings and to try this stale question again in a new forum under the heading of a new cause of action. In such redundant litigation, the mischief done to the orderly administration of the law is manifest.

How did the Court of Appeals come to sanction this procedure? Because the Court failed, like other courts before it, to make sense out of the doctrine of collateral estoppel. The law in the federal courts on the subject has become murky, confused and contradictory. Requirements, exceptions, qualifications and corollaries abound in the authorities. Generations of judges and legions of lawyers and commentators have taken a fairly simple and exceedingly sensible rule and, by relentless march of elliptical rhetoric, have rendered it nearly useless.

The questions raised in this petition are therefore of public and economic importance. Under the decision of the Court of Appeals, petitioner must now defend a patent infringement action which will be both protracted and expensive, and which would be unnecessary if collateral estoppel were applied. The history of this case should persuade this Court to settle the guidelines for application of the doctrine of collateral estoppel to all such cases. This would do much to relieve congestion in the trial courts, reduce the cost of patent cases, and promote their prompt disposition—the *desiderata* of a truly just patent system.

1. The Doctrine of Collateral Estoppel by Judgment, As It Was and Ought To Be.

This Court has said that, "The peace and order of society demand that matters distinctly put in issue and

determined by a court of competent jurisdiction as to parties and subject-matter, shall not be retried between the same parties" and that this is a general rule "deeply imbedded in the jurisprudence of all civilized countries." *Johnson Co.* v. *Wharton,* 152 U.S. 252, 257, 260 (1894). "It is just as important that there should be a place to end as that there should be a place to begin litigation." *Stoll* v. *Gottlieb,* 305 U.S. 165, 172 (1938).

An early statement of the rule by this Court was that the estoppel of a judgment "extends to every material allegation or statement which, having been made on one side and denied on the other, was at issue in the cause, and was determined in the course of the proceedings." *Aurora City* v. *West,* 74 U.S. (7 Wall.) 82, 103 (1868). The next authoritative statement by this Court came in *Cromwell* v. *County of Sac,* 94 U.S. 351, 352-3 (1876), where, in distinguishing the operation of res judicata in a second suit between the same parties upon the same claim from the collateral estoppel arising in a second suit between the same parties on a different claim, it was said that in the latter case "the inquiry must always be as to the point or question actually litigated and determined in the original action." It is upon the ground that the parties have been heard, or have had the opportunity of a hearing, that the law gives a conclusive effect to the matters adjudicated in the prior case. *Reynolds* v. *Stockton,* 140 U.S. 254, 268 (1891). Whenever a question "fairly arises" at trial, and there has been a distinct decision of the question, the decision is binding. *Union Pacific Co.* v. *Mason City Co.,* 199 U.S. 160, 166 (1905). Otherwise stated, "a *fact, question* or *right* distinctly adjudged in the original action cannot be disputed in a subsequent action" even though the original determination was erroneous. *United States* v. *Moser,* 266 U.S. 236, 242 (1924).

2. The So-called "Rule of Essentiality," Its Evolution and Misapplication.

It is axiomatic that an estoppel will not be found if it must be guessed at. The rule of essentiality in the doctrine of collateral estoppel was therefore devised to fit the case of a general judgment or jury verdict. This Court phrased the rule as follows in *Fayerweather* v. *Ritch,* 195 U.S. 276, 302 (1904):

> "The ordinary rule in respect to a judgment without any special findings is that it, like a general verdict of a jury, is tantamount to a finding in favor of the successful party of all the facts *necessary* to sustain the judgment."*

More recently, in *Emich Motors* v. *General Motors,* 340 U.S. 558, 569 (1951):

> "In the case of a criminal conviction based on a jury verdict of guilty, issues which were *essential* to the verdict must be regarded as having been determined by the judgment. . . . Accordingly, we think plaintiffs are entitled to introduce the prior judgment to establish prima facie all matters of fact and law necessarily decided by the conviction and the verdict on which it was based."

This requirement for certainty, expressed as a rule of law, made good sense in the context in which it was intended to operate. Obviously a general verdict does not explain what determinations the jury made in reaching its decision and so it would not be fair or logical to hold a party bound as to any fact question tried before the jury unless a finding on that question was "essential" to the verdict, *i.e.,* unless the fact must "necessarily"

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* Emphasis added in quoted matter unless otherwise indicated.

have been found in order for the jury to render its verdict.

Unfortunately, somewhere in the distant evolution of the rule, it began to be thoughtlessly applied not only to general jury verdicts but to every kind of case. The result has been to gradually cut down the doctrine of collateral estoppel so that it can have only a very narrow effect. The Restatement, for example, limits binding or "essential" findings of fact to those upon which the judgment was "dependent" (Restatement, Judgments § 68, comment o at 309, 1942), and the Court of Appeals in this case seems to have followed the same criterion (*infra*, p. 6a). This view would mean that a party can never be bound by a finding of fact against him where the ultimate judgment was in his favor. It would mean that no matter how long the trial, no matter how thoroughly the evidence be presented and sifted, and no matter how carefully a judge might make his findings of fact, if the case should go off on a narrow point of law, the winning party may relitigate without limit any question of fact decided against him.

This narrowly restricted view of the doctrine of collateral estoppel is squarely in conflict with this Court's ruling in *Railroad Companies* v. *Schutte*, 103 U.S. 118, 143 (1880):

> "It cannot be said that a case is not authority on one point because, although that point was properly presented and decided in the regular course of the consideration of the cause, something else was found in the end which disposed of the whole matter. Here the precise question was properly presented, fully argued, and elaborately considered in the opinion. The decision on this question was as much a part of the judgment of the court as was that on any other of the several matters on which the case as a whole depended."

The Restatement view is, furthermore, in conflict with the decision of this Court upon which it is supposed to have been based. In *Electrical Fittings Corp.* v. *Thomas & Betts Co.*, 307 U.S. 241, 242 (1939), the trial court had entered a decree adjudging a patent claim valid but dismissing the bill for failure to prove infringement. This Court said that the holding of validity, although immaterial to disposition of the case, stood "as an adjudication of one of the issues litigated." Surely this Court must have meant that the holding of validity, if not deleted, would have been binding as an estoppel. Yet we find the very same Second Circuit bench which this Court reversed in *Electrical Fittings* saying in a later case that this Court had held that the finding of validity was not an estoppel. *Harries* v. *Air King Products Co.*, 183 F.2d 158, 161 (1950). And it was the *Harries* decision by Judge Learned Hand that the Seventh Circuit Court of Appeals chose to follow in the present case (*infra*, p. 7a) instead of obeying the line of authority based upon this Court's ruling in *Railroad Companies, supra.*

The Court below also quoted from *Yates* v. *United States*, 354 U.S. 298, 336 (1957). In *Yates*, this Court cited Judge Hand's opinion in *The Evergreens* v. *Nunan*, 141 F.2d 927 (2 Cir. 1944), for the proposition that collateral estoppel applied to "ultimate" facts and not to evidentiary or "mediate" facts but, at the same time, this Court left open the question as to what circumstances might justify giving conclusive effect to evidentiary findings (354 U.S. 338).

What Judge Hand actually held in *The Evergreens* was that there are at least three possible approaches to deciding questions of collateral estoppel: The distinction between "mediate data" and "ultimate facts;" the

test of "necessary to the result" in the first case; and the test of foreseeability, *i.e.*, limiting the estoppel to "future controversies which could be thought reasonably in prospect when the first suit was tried" (141 F.2d at 928-9). Judge Hand seems to have chosen the "necessary to the result" test as most reliable, although not always fair, and he rejected foreseeability as an "impossible" criterion.

Paradoxically, Judge Hand's holding in *The Evergreens* has been more recently cited to support the foreseeability test that he rejected. In *Hyman* v. *Regenstein*, 258 F.2d 502, 510-511 (5 Cir. 1958), Judge Wisdom cited *The Evergreens* and "stated" its rule as follows:

> ". . . collateral estoppel by judgment is applicable only when it is evident from the pleadings and record that determination of the fact in question was necessary to the final judgment and it was *foreseeable* that the fact would be of importance in possible future litigation."

Even more paradoxically, the foreseeability test from the Fifth Circuit may have become the rule of today in the Second Circuit. In *United States* v. *Kramer*, 289 F.2d 909, 917 (2 Cir. 1961), the majority endorsed foreseeability, doubted whether it was ever intended to establish the "ultimate fact" criterion as a rigid rule, and limited *The Evergreens* to its peculiar set of facts. Curiously, the majority and dissent reached opposite conclusions while both relied upon this Court's decision in *Yates*.

In *Laughlin* v. *United States*, 344 F.2d 187 (D.C. Cir. 1965), Judge Wright rationalized the *Yates* decision as based on the foreseeability test (344 F.2d at 192, footnote 20). If Judge Wright is correct and *Yates* stands for

the foreseeability rule, the Seventh Circuit has obviously misunderstood and misapplied *Yates* since it is ridiculous to imagine that Judge Mercer was so blind that he could not foresee a patent infringement suit when he made the finding of fact against the patentee in the inventorship suit. If Judge Wright is wrong about *Yates,* then the Second and Eighth Circuits are also badly misled about collateral estoppel. These disagreements between Circuits and between Judges in the same Circuit as to the meaning of the decisions, including those of this Court, have become typical and they illustrate the widespread confusion and the need for this Court to definitively restate the doctrine of collateral estoppel.

3. A Finding of Fact Should Not Become Inoperative in a Later Case Between the Same Parties Merely Because the Jurisdiction or the Cause of Action is Different in the Later Case.

The Court of Appeals in this case reacted to the confusion as to collateral estoppel by the simple expedient of abolishing the doctrine for patent cases. The reasoning of the Court does so by completely obliterating the distinction between that doctrine and res judicata. Thus, the Court below said that Judge Mercer, in the earlier inventorship case, "did not intend to and did not deal with" issues relating to patent validity (*infra,* p. 8a), and it gave this as another reason why his finding was not an estoppel in the later infringement case.

Of course Judge Mercer did not rule on validity! He had no jurisdiction to make such a ruling (35 U.S.C. § 146, *Sanford* v. *Kepner,* 344 U.S. 13 [1952]). The Court of Appeals entirely missed this point and, in doing so, obviously implied that the finding in the first case would have been binding in the second only if the first court

had jurisdiction, like the second, to rule directly on the issue of validity. If that had been the case, the applicable rule would have been res judicata. And if "collateral estoppel" applies only in such a case, then that doctrine is no more—because it will have been merged into res judicata.

The Court of Appeals' reasoning that Judge Mercer "did not intend" to rule on validity is noteworthy also because it suggests still another judicial refinement, and one that will surely be impossible to apply. It suggests that subsequent courts, instead of looking to see what was actually tried and determined by an earlier court, must also become mind readers to find out what the earlier court "intended" should be the effect of its findings.

The decision of this Court in *Becher* v. *Contoure Labs.*, 279 U.S. 388 (1929), should have been controlling in this case; it has never been questioned in any court so far as we know; and yet it was resolutely ignored by the Court below.

The *Becher* case was a patent infringement suit brought by Becher in federal court. In a prior state court suit, Contoure and its assignor Oppenheimer had obtained a judgment that Becher was trustee ex maleficio for Oppenheimer of the patent and ordering that Becher assign the patent to Oppenheimer. The state court had found that Becher had appropriated Oppenheimer's invention in violation of a confidential relationship and had obtained issuance of the patent by falsely swearing that he, Becher, was the inventor.

In the infringement suit, Becher said that the state court had no jurisdiction to try the inventorship issue in the earlier suit since federal courts have exclusive

jurisdiction in patent cases, and therefore the state court holding that he had misappropriated the invention could not be given estoppel effect to invalidate the patent. This Court, speaking through Mr. Justice Holmes, disagreed and pointed out that Oppenheimer's state court suit was not to invalidate the patent but to obtain its assignment, and (pp. 391-2):

> ". . . even if the logical conclusion from the establishing of Oppenheimer's claim is that Becher's patent is void, that is not the effect of the judgment. Establishing a fact and giving a specific effect to it by judgment are quite distinct. . . .
>
> "That decrees validating or invalidating patents belong to the Courts of the United States does not give sacrosanctity to facts that may be conclusive upon the question in issue. A fact is not prevented from being proved in any case in which it is material, by the suggestion that if it is true an important patent is void—and, although there is language here and there that seems to suggest it, we can see no ground for giving less effect to proof of such a fact than to any other. A party may go into a suit estopped as to a vital fact by a covenant. We see no sufficient reason for denying that he may be equally estopped by a judgment."

The Court of Appeals in this case refused to honor Judge Mercer's finding as to Traver's 1950 patent application by saying that the finding related only to the issue of the credibility of Traver's witnesses and not to the validity of his patent. Under the *Becher* decision, that finding of fact under the issue of credibility did not evaporate when the identical fact question was presented to another court under the issue of validity. If the Court of Appeals were right, there would be nothing left of the doctrine of collateral estoppel and almost no limit to the

number of times a party could relitigate fact issues, so long as he keeps changing forums and forms of action.

4. The Collateral Estoppel Effect of a Judgment Should Not Depend upon Whether it Has Been Re-examined by a Court of Review.

This Court has said that the inquiry as to the conclusiveness of a judgment in a prior suit between the same parties can only be whether the prior court had jurisdiction and whether the question, sought to be raised in the subsequent suit, "was covered by the pleadings and actually determined in the former suit." *Johnson Co.* v. *Wharton,* 152 U.S. 252, 261 (1894). At the same time, this Court said (*ibid.*):

> "The existence or non-existence of a right, in either party, to have the judgment in the prior suit re-examined, upon appeal or writ of error, cannot, in any case, control this inquiry."

In the present case, the Court of Appeals thought that respondent could not have had appellate review of the finding of fact in question and apparently felt that this was another reason precluding application of collateral estoppel (*infra,* pp. 7a-8a). The Court of Appeals' view is supported by *Electrical Fittings Corp.* v. *Thomas & Betts Co.,* 307 U.S. 241, 242 (1939), and in § 69(2) of the Restatement of Judgments, but that section was specifically repudiated by this Court in *United States* v. *Munsingwear,* 340 U.S. 36, 39 (1950), and this Court has more recently held that a winning party can appeal from adverse findings, *Partmar Corp.* v. *Paramount Pictures Theatres Corp.,* 347 U.S. 89, 99 (1954). In any event, the Court of Appeals' view herein is not only contrary to the later decisions of this Court, it also has no basis in fact since respondent could have had appellate review.

After the original adverse finding and after denial of its post-judgment motion to change the finding, a number of procedures were open to respondent. It could have appealed the denial of its motion; it could have moved under Rule 52(b), Fed. R. Civ. P.; it could have moved under Rule 59(a) for a rehearing on any of the issues and to amend the findings or make new findings; or it could have moved under Rule 60(b) for relief. Denial of a Rule 59 motion is appealable, *Bros Inc.* v. *W. E. Grace Mfg. Co.*, 320 F.2d 594, 600-601 (5 Cir. 1963); and so is the denial of a Rule 60 motion, *Hines* v. *Seaboard Air Line R.R. Co.*, 341 F.2d 229, 231 (2 Cir. 1965).

Respondent, however, made no attempt to obtain appellate review of the adverse finding. This case, therefore, may be compared to *Munsingwear*, in which this Court discussed the failure of the United States to obtain appellate review and said (340 U.S. 41):

> "The case is therefore one where the United States, having slept on its rights, now asks us to do what by orderly procedure it could have done for itself. The case illustrates not the hardship of *res judicata* but the need for it in providing terminal points for litigation."

CONCLUSION

We bring only one case before this Court but we also bring an opportunity to make a decision affecting many more. Surely the courts of this country are sufficiently occupied with genuinely unresolved conflicts that they should not expend their resources in aid of repetitious trials like the present one. We submit that the season is overripe for this Court to make a simple clear statement reviving and reaffirming the doctrine of collateral estoppel.

The overriding consideration in every case should be whether a party has once had a full and fair hearing on the matter which it seeks to relitigate. All of the supposed requirements that a finding be "ultimate," "essential," "necessary," "foreseeable," "final" or "appealable" were originally intended only to promote the single purpose of safeguarding the right to a hearing, but they have been exalted and refined far beyond that purpose so that in the present case they have obscured altogether the salutary doctrine they were intended to aid.

Respectfully submitted,

SIDNEY NEUMAN,
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February 10, 1967.

IN THE

UNITED STATES COURT OF APPEALS

FOR THE SEVENTH CIRCUIT

No. 15678 SEPTEMBER TERM AND SESSION 1966

E. I. du PONT de NEMOURS and COMPANY, *Plaintiff-Appellant*,
v.
UNION CARBIDE CORPORATION, *Defendant-Appellee*.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.

NOVEMBER 15, 1966

Before DUFFY, *Senior Circuit Judge*, KILEY and CUMMINGS, *Circuit Judges*.

DUFFY, *Senior Circuit Judge*. Plaintiff (du Pont) brought this suit against defendant (Carbide) for alleged infringement of three patents owned by du Pont. Carbide answered as to two of the patents. The third patent was United States Patent No. 3,018,189 issued to George W. Traver (Traver) on January 23, 1962, for a "Method of Conditioning Polyethylene Surfaces for the Adhesion of Materials Coated Thereon and Resulting Product." Carbide moved for summary judgment as to the Traver patent.

The District Court granted summary judgment holding Traver Patent No. 3,018,189 invalid under 35 U.S.C. § 102(b) on the ground that the invention claimed in that patent was in public use or on sale more than one year prior to the date of an effective application for the patent.

The Court held that this issue had been resolved against du Pont by findings in an earlier case in another court between the same parties, and because of the doctrine of collateral estoppel, could not be re-litigated in the case at bar.

The earlier case was a civil action brought under 35 U.S.C. § 146. It was brought to review a Patent Office decision holding Traver to be the first inventor of an invention also claimed by Carbide. The case was heard by Judge Frederick O. Mercer at Peoria, Illinois. Judge Mercer concluded, as had the Patent Office, that Traver was the first inventor. He caused judgment to be entered in favor of Traver and du Pont and against Carbide. *Union Carbide Corp.* v. *Traver Investments, Inc.*, S.D. Ill., (1965), 238 F.Supp. 540. This earlier case often is referred to in the briefs as the "Peoria case."[1] The case on which this instant appeal is based is sometimes referred to as the "Chicago case."

For many years, polyethylene film has been an important commercial plastic. Hundreds of millions of pounds have been sold annually in the United States. A typical use of the material is the transparent garment bag used by drycleaners.

Prior to 1949, it was recognized that the surface of the polyethylene film as then manufactured would not retain ink. Printed matter could be placed thereon, but the ink would flake off and wash away when exposed to moisture. The entire polyethylene industry sought to find some way to improve ink retention. All those interested regarded such retention as necessary so that orna-

[1] In the Peoria case which had been brought by another applicant against Traver and Carbide, du Pont intervened and became an additional defendant. For convenience, when the original plaintiff's complaint was dismissed, the parties were realigned by the Court to treat Carbide as the plaintiff and Traver and du Pont as the defendants. 238 F.Supp. at 540, n. 1.

mentation and advertising could be applied to and retained on the film.

In 1949, Traver conceived the idea of treating polyethylene film with the electrical discharge from a tubular gas-filled lamp, in order to make the film more ink retentive. He experimented with a metal roller, an argon-filled tubular lamp spaced from the roller, and a transformer having its secondary coil in circuit with the lamp and the roller, so as to produce an electrostatic discharge from the lamp to the roller.

Traver discovered that by passing polyethylene film over the roller and exposing it to a discharge of sufficient intensity from the lamp for a sufficient period of time, the film would retain subsequently applied printing ink.

By December 1949, Traver achieved successful treatment with a continuous-process treatment machine which was necessary for commercial exploitation. In March 1950, he delivered his first order for commercial use.

On October 26, 1950, Traver filed his earliest patent application. His claims define the invention broadly in terms of exposing the surface of polyethylene to the action of electrostatic discharge. Traver filed second and third applications in 1952 and 1953 respectively, as continuations-in-part of the 1950 application. The claims of these applications continued to define his invention as subjecting polyethylene film to the action of electrostatic discharge.

The Patent Office suggested other applicants copy Traver's Claim 16 for the purpose of setting up an interference. The other applicants did so. The Patent Office then instituted an interference proceeding to determine which applicant was the first inventor. The Adams and Wakefield application was assigned to Carbide.

Carbide moved to amend the interference issue by substituting the following claims from its own application:

"The method of treating a polyethylene body to render a surface thereof adherent to ink impressions subsequently imprinted thereon which consists of subjecting the surface of the body to high voltage electric stress accompanied by corona discharge to improve its bonding properties whereby upon printing said treated surface the ink impressions strongly adhere thereto.'"[2]

The Patent Office re-defined the issue for purpose of interference in three claims or "counts." Each of the three counts incorporated the narrower term "corona discharge." All three interfering applicants adopted these counts.

On July 25, 1960, the Board of Patent Interferences decided Traver was entitled to an award of priority of invention defined in terms of corona discharge by reason of an actual reduction to practice at least by March 4, 1950.

On November 17, 1961, Traver amended his application so as to eliminate from the claims any reference to corona discharge and to reinstate the claim language he had used in his 1950 application. Claim 36 of the amended application (later Claim 1 of the Patent) defined the invention as

"The method of treating a polyethylene body to render a surface thereof adherent to printing ink, which consists in subjecting said surface to the action of electrostatic discharge while employing an alternating current, to render said treated surface receptive and strongly adherent to printing ink."

These are the claims of the patent in suit and which are now before us.

Following the amendment, the Patent Office held that the new claims were adequately supported by the 1950

[2] "Corona" is a bluish glow sometimes noted in connection with electrical discharges when they reach a sufficient intensity.

application, which had been filed less than one year after the alleged public use, and dismissed the petition to institute public use proceedings which had been filed by one of the applicants.

Traver's 1953 application finally issued on January 23, 1962 as Patent No. 3,018,189. In the meantime, suit had been brought in Peoria under 35 U.S.C. § 146 to review the action of the Patent Office with respect to the interference, seeking a judicial determination that Carbide's applicants and not Traver were the first inventors.

Although Judge Mercer decided the issue before him, *i.e.*, priority, in favor of Traver, his opinion indicates that at some time or times during the ten-day trial, he had some doubts on the subject. During the trial, Carbide continuously and strenuously attempted to persuade the Court that Traver had not been the first inventor of the corona discharge process.

Judge Mercer's opinion describes his doubts, and although he resolved them in favor of Traver, he made certain observations or findings in the process of resolving them that became the basis for Carbide's motion for summary judgment, as well as the basis for the decision of the District Court in the instant case, which determined that such findings in the Peoria case created a collateral estoppel in the case at bar.

Judge Mercer stated—"At first blush one wonders why the corona discharge principle was not part of the first Traver application if, in fact, the process had been conceived and reduced to practice by him."

Judge Mercer further stated—"Digressing, it seems singular that the Traver Corp. employees kept no log or record of their experimentation with the process. That fact, coupled with the fact to which allusion was previously made, that Traver's 1950 application described an unworkable method, tends to cast doubt upon the credibility, or memory, of the Traver Corp. employees

above mentioned." However, as stated heretofore, Judge Mercer resolved his doubts in favor of Traver.[3]

With the judgment in its favor, du Pont did not appeal. However, it took exception to the statement "that Traver's 1950 application described an unworkable method." Its motion to strike this statement was denied.

As stated, the District Court, in the instant case, applied the rule of collateral estoppel in determining that the patent in issue was in public use more than one year prior to the date of an effective application for the patent. The Court below relied on a "finding" in the Peoria case, which hereinbefore has been stated.

A finding must be essential to a judgment before it can be given collateral estoppel effect in a later suit. The Supreme Court has stated:

> "That doctrine [collateral estoppel] makes conclusive in subsequent proceedings only determinations of fact, and mixed fact and law, that were essential to the decision."

Yates v. *United States,* 354 U.S. 298, 336. See also, *1B Moore, Federal Practice* ¶0.441(2) at 3777 (2d ed. 1965).

The issue that was litigated in the Peoria case was whether the Patent Office had erred in determining that Traver was the first to reduce to practice the invention described in the interference counts. Judge Mercer said, in his opinion—"No other issue can arise in this litigation until and unless it be determined that plaintiff [Carbide] is entitled to prevail." Of course, Carbide did not prevail. Judge Mercer's opinion continued—"No

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[3] This doubt was disspelled by other evidence, Judge Mercer said, particularly by the testimony of Carbide employees that one of them had visited Traver's place of business in December 1949 and had twice been shown the Traver machine and process in successful operation, and had carried news of the development back to Carbide management.

issue can arise as to the sufficiency of the Traver application or as to the validity of the Traver patent. The scope of the proceeding is limited by the provisions of the statute."

Carbide's counsel do not accept the rule of essentiality to the judgment. They refer to it as a "text writer's rule" and quote from opinions of the Second Circuit by Judge Learned Hand. However, in *Harries* v. *Air King Products Co.*, 2 Cir. (1950), 183 F.2d 158, 161, Judge Hand said:

> "In *Electrical Fittings Corp.* v. *Thomas & Betts Co.*, 2 Cir., 100 F.2d 403, we held that, after deciding that a defendant did not infringe a claim, we need not pass upon a finding of the district court that it was valid. This we held because the finding had not been necessary to the judgment and for that reason would not be an estoppel, and would not therefore prejudice the defendant."

In granting Traver's motion to strike from Carbide's complaint all allegations and prayers that the Traver patent was subject to a public use bar under 35 U.S.C. § 102(b), Judge Mercer said:

> "Neither the legal sufficiency of the Traver application nor the validity of the patent issued thereon is an issue in this case. . . . Plaintiff . . . may not litigate the validity of its opponent's patent under Section 146."

Carbide, in effect, argues for a broader interpretation of collateral estoppel than heretofore has been sanctioned by the courts. Carbide argues that the estoppel effect of Judge Mercer's decision should be determined not solely by the judgment which was entered in that case, but also by the issues that he decided. Carbide also argues that du Pont, although the winning party in the Peoria case, could have had an appellate review of the adverse finding made by Judge Mercer.

We disagree with these contentions of Carbide's counsel. We think the doctrine of collateral estoppel has been erroneously applied by the District Court in this case.

We think Judge Mercer did not intend to and did not deal with the question of whether Traver's 1952 application was a valid continuation-in-part of his 1950 application. Judge Mercer repeatedly stated that he would not deal with issues relating to the validity of the Traver patent.

Judge Mercer's interest in Traver's 1950 application was not its sufficiency under 35 U.S.C. §§ 112 or 120, but whether, as urged by Carbide, it cast sufficient doubt on the credibility of Traver's witnesses to warrant disbelieving them. It is difficult to believe that Judge Mercer was determining that Traver's 1950 application was deficient for continuation-in-part purposes when he expressly stated he would not rule on that question.

We hold it was error for the District Court in this case to grant summary judgment for Carbide upon a suit claiming infringement of the Traver patent.

The judgment of the District Court is reversed and remanded for further proceedings not inconsistent with this opinion.

REVERSED AND REMANDED.

E. I. duPONT de NEMOURS & CO.,
Plaintiff,

v.

UNION CARBIDE CORP., Defendant.

No. 65 C 651.

United States District Court
N. D. Illinois, E. D.

Feb. 11, 1966.

MAROVITZ, District Judge.

Motion of Defendant for Summary Judgment as to Traver Patent.

This is a three-part patent infringement suit filed by plaintiff duPont, pursuant to Sections 271, 281, Title 35, U.S.C., for injunctive relief arising out of the alleged infringement by defendant of:

1) U.S. Letters Patent No. 2,632,921, a Method For Improving The Bonding Properties Of Polyethylene Plastics (Kreidl patent);

2) U.S. Letters Patent No. 2,648,097, a Method Of Securing Decorative Matter To A Surface Of A Polyethylene Body (Kritchever patent); and

3) U. S. Letters Patent No. 3,018,189, a Method Of Conditioning Polyethylene Surfaces For The Adhesion Of Materials Coated Thereon And Resulting Product (Traver patent), all of which are now owned by plaintiff.

Defendant has moved for summary judgment under Rule 56 of the Federal Rules of Civil Procedure with regard to the Traver Patent (No. 3 above), asserting that said patent is invalid, the purported invention having been in public use and on sale in this country more than one year prior to the date on which a covering patent was applied for in the United States. See Section 102(b), Title 35, U.S.C. In support of its motion, defendant ini-

tially directs the Court's attention to prior litigation between these parties, under Section 146, Title 35, U.S.C., in the Southern District of Illinois, Union Carbide Corporation v. Traver Investments, Inc. and E. I. duPont de Nemours & Co., 238 F.Supp. 540, wherein it is asserted Judge Mercer, while ruling on priority of invention, held: (1) that Traver's first application for a patent in 1950 did not disclose a successful process, the method described therein being unworkable; (2) that Traver's invention, the corona discharge process of treating polyethylene, was discovered as early as 1949 and was in commercial use in March of 1950; and (3) that the earliest valid patent application disclosing the Traver invention in a workable manner was filed in 1952, more than a year after the 1950 commercial public use thereof.

Defendant therefore contends that by virtue of Judge Mercer's findings in the prior suit between the parties, plaintiff is collaterally estopped from relitigating the same matters herein; and that said litigation having led to judicial determination of all genuine factual issues which would arise before this Court, defendant is entitled to summary judgment as to the Traver patent as a matter of law.

We must agree. While plaintiff sustained its burden before the Patent Office and Judge Mercer by proving that Traver was the prior inventor, it was forced to rely on evidence that the invention was reduced to practice and commercially manufactured by March 4, 1950. (See Decision of the Board of Patent Interferences, Defendant's Ex. D.) Indeed, plaintiff's own Answer and opening statement in the Peoria (Southern District) case (Defendant's Exhibits G, H) clearly admit such prior sale:

> "* * * because Traver commenced, on March 4, 1950, more than one year prior to the filing of the cross-complainant's (Union Carbide) aforesaid U. S. Patent Application * * * to sell and thereafter continu-

> ously sold to customers printed polyethylene bags embodying material treated in accordance with the process defined in the Counts in the interference * * *." (Excerpt from defendant's Answer in Southern District litigation, Ex. G, p. 4.)

Judge Mercer was convinced by these arguments and clearly held that the corona discharge method of treatment, at issue here, was reduced to practice in the latter part of 1949 (238 F.Supp. 540, 545), and that Traver began commercial production in 1950, delivering orders of printed bags in that year (238 F.Supp. 540, 544). Thus, when the Court subsequently found that Traver was not entitled to the benefit of his 1950 filing date for his invention, duPont's fate herein was sealed. Judge Mercer's ruling on this second issue was unequivocal, as well, holding, in support of the Board of Patent Interferences, that although Traver had completed his invention in 1949, his 1950 application did not disclose the corona discharge method but, rather, described an unworkable process and was, therefore, invalid:

> "It is incontestable upon the evidence adduced that successful treatment of polyethylene in air is achieved only by conditions creative of corona discharge. Traver's 1950 application did not disclose the corona principle. Thus, I see no error in the Court's conclusory finding that the 1950 application described an unworkable process." (See Defendant's Ex. M.)

With this as a background, we need only establish the applicability of collateral estoppel, and apply Judge Mercer's findings to the provisions of Section 102(b) to sustain defendant's motion.

It is clear, to this Court's satisfaction, that the material facts underlying defendant's motion for summary judgment are facts which have been judicially determined, with finality, between these parties, in the Peoria litigation. In Cromwell v. County of Sac, 94 U.S. 351, 24 L.Ed. 681 (1876), a much cited case in this area,

Mr. Justice Field of the United States Supreme Court clearly announced the doctrine of collateral estoppel, stating that a prior judgment between the same parties, on a different cause of action is an estoppel:

> "* * * as to those matters in issue or points controverted, upon the determination of which the finding or verdict was rendered. In all cases, therefore, where it is sought to apply the estoppel of a judgment rendered upon one cause of action to matters arising upon a different cause of action, the inquiry must always be as to the point or question actually litigated and determined in the original action, not what might have been thus litigated and determined."

See also Lawlor v. National Screen Service, 349 U.S. 322, 326, 75 S.Ct. 865, 867, 99 L.Ed. 1122 (1955):

> "Under the doctrine of collateral estoppel * * * such a (prior) judgment precludes relitigation of issues actually litigated and determined in the prior suit, regardless of whether it was based on the same cause of action as the second suit."

As a subquestion, therefore, we must decide whether the material facts supporting defendant's motion herein were "actually litigated and determined" in the Peoria case by Judge Mercer. We hold that they were. It is clear, to begin, that the fact of commercial public use of the Traver invention in 1950 was vital to duPont's proof of priority on behalf of Traver in the earlier litigation. As discussed above, the public use question was put in issue by the pleadings, presented to the Court by duPont's counsel, and was made a principal basis for the decision in Traver's favor. It is also apparent that Traver relied on his 1950 application as an alternative ground to support his claim for priority, and that Judge Mercer specifically found that said application described an unworkable process and did not adequately disclose the invention.

It appears that the ghosts of plaintiff's successes in Peoria have returned to haunt its house.

There must be an end as well as a beginning to litigation. Stoll v. Gottlieb, 305 U.S. 165, 172, 59 S.Ct. 134, 83 L.Ed. 104 (1938). The orderly administration of justice requires that the matters once put in issue and determined by a Court of competent jurisdiction shall not be retried between the same parties, Johnson Co. v. Wharton, 152 U.S. 252, 257, 14 S.Ct. 608, 38 L.Ed. 429 (1894). This Court has no desire to, and cannot set itself up as an appellate tribunal to review Judge Mercer's decision, Singer v. A. Hollander & Son, (3rd Cir., 1953) 202 F.2d 55. We must therefore hold that plaintiff is collaterally estopped from disputing the truth of those material facts determined by Judge Mercer.

We must turn then to the controlling statutory section (Section 102 (b), Title 35, U.S.C.). A patent is void under that enactment whenever it appears that the patentee's invention was "in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States." This "statutory bar" is not discretionary, but, rather, constitutes an absolute rule designed to limit the commercial advantages of patent monopoly in the public interest. Abandonment of the invention in favor of the public is deemed conclusively established by operation of law and the issued patent must be declared void. Elizabeth v. Pavement Co., 97 U.S. 126, 134, 24 L.Ed. 1000 (1877). Indeed, a patented process is considered to be in public use when it is commercially exploited by a sale of the product manufactured thereunder alone.

Accepting Judge Mercer's findings, this Court must conclude that the invention at issue was in public use and on sale more than one year prior to the 1952 application for the Traver patent. While Traver filed his initial application on October 26, 1950 (Defendant's Ex. C), Judge Mercer found that the method disclosed therein was not the corona discharge treating process placed in commercial use and, moreover, was itself unworkable.

Thus, if plaintiff is to prevail, it must be on its theory that the 1952 application was a "continuation in part" of the 1950 effort and therefore is entitled to the benefits of the earlier filing date under Section 120, Title 35, U.S.C. This question was not specifically reached by Judge Mercer, as he was limited to interference issues under Section 146. However, we can, by reference to his announced findings, resolve this matter in favor of defendant, as well, without need for an evidentiary hearing.

Under Section 120, a patentee would be entitled to treat the 1952 application as if it were filed in 1950, only if the earlier document disclosed the invention "in the manner provided by the first paragraph of section 112." Indeed, prior to the enactment of Section 120 in 1952, a long line of case law held that while "continuation" applications were occasionally entitled to an earlier effective filing date, Godfrey v. Eames, 68 U.S. 317, 17 L.Ed. 684 (1863), the original application must contain sufficient disclosure to support the claims made therein. See Philip A. Hunt Co. v. Mallinckrodt Chemical Works, (2d Cir., 1949) 177 F.2d 583; Van Der Horst Corp. v. Chromium Corp. (D.C.N.Y., 1951) 98 F.Supp. 412, 429-430, aff'd., (2d Cir., 1952) 197 F.2d 791. With the enactment of the Patent Code of 1952, these decisions were codified in Section 120, which, as alluded to above, demanded that the prior application meet the requirements of Section 112 as to sufficiency of disclosure, and that the second application cover an invention disclosed in the original.

In the opinion of this Court, plaintiff must fail on both counts. Initially, it is clear that under Judge Mercer's decision, plaintiff failed to meet the full disclosure requirements of Section 112, in that an "unworkable" process cannot be said to have been described "in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains * * * *to make* and use the same." (emphasis added). See Beidler v. United States, 253 U.S. 447, 40 S.Ct. 564, 64 L.Ed. 1006

(1920); and Lorenz v. Berkline Corp., (D.C.Ill., 1963) 215 F.Supp. 869, wherein Chief Judge William Campbell of this District stated, in point:

> "Applicant in a continuation-in-part application is not entitled to the benefit of the filing date of an earlier patent application if the disclosure in the earlier application is inoperative."

Thus, in the light of Judge Mercer's finding that the 1950 application discloses an unworkable process, we must conclude that the initial requirement of Section 120 has not been met.

Similarly, we are convinced that the second application does not disclose the same "invention" as that described in the 1950 document, placing it outside the "continuity" requirements of Section 120, which codified the existing case law: National Hairdressers Ass'n. v. Philad Co., (D.C.Del., 1941) 41 F.Supp. 701, aff'd., (3rd Cir., 1942) 129 F.2d 1020; Hazeltine Research v. General Motors Corp., (6th Cir., 1948) 170 F.2d 6, 10.

It is clear from Judge Mercer's decision that the two applications are not continuous, and disclose different matter. For, surely an invention which has admittedly been used commercially, as plaintiff's, cannot be considered identical to that found by the Court to lack the critical "corona discharge process" and to be "unworkable." Thus, we hold as a matter of law that Traver's 1952 application was not a valid continuation-in-part of the 1950 document.

Plaintiff's response to the summary judgment motion, particularly the affidavits submitted with regard to the "workability" of the 1950 application, must be overridden by the collateral estoppel doctrine discussed above. As the Seventh Circuit Court of Appeals stated in Florasynth Laboratories v. Goldberg, (7th Cir., 1951) 191 F.2d 877 at 880:

> "It is fundamental that material facts or questions judicially determined in one action by a judgment

> may not be tried in a subsequent action between the same parties or their privies, whether the second action is upon the same or a different cause of action as the earlier action. * * *"

Plaintiff had its day in court. To demonstrate prior reduction to practice in the interference proceeding, du-Pont chose to reveal a 1950 commercial use. Then, to plaintiff's dismay, the 1950 disclosure was found to be unworkable. The pleadings and proofs posed these issues for Judge Mercer in the Southern District of Illinois, and he decided them. Plaintiff, having won a "hollow" victory, petitioned the Court there for modification, pursuant to Rule 59, with regard to the finding of "unworkability," and was free to appeal the decree denying that motion. See Walker v. Bank of America, (9th Cir., 1959) 268 F.2d 16, 25. Having failed to do so, plaintiff cannot now ask this Court to assume the role of a reviewing tribunal.

We therefore conclude (1) that plaintiff is precluded under the doctrine of collateral estoppel from raising again the issues decided by Judge Mercer in the Southern District of Illinois litigation between these parties; (2) that the decision rendered by Judge Mercer resolves all genuine factual issues with regard to the enforceability of the Traver patent; and (3) that defendant is entitled to summary judgment on Paragraphs 8 and 9 of the Complaint, inasmuch as the Traver patent sued on therein is invalid as a matter of law, pursuant to the public use provisions of Section 102(b), Title 35 U.S.C.

UNION CARBIDE CORPORATION,
Plaintiff,

v.

TRAVER INVESTMENTS, INC., & E. I.
duPont de Nemours & Company,
Defendants.

Civ. A. P-2445.

United States District Court
S. D. Illinois, N. D.

ORDER

It is incontestable upon the evidence adduced that successful treatment of polyethylene in air is achieved only by conditions creative of corona discharge. Traver's 1950 application did not disclose the corona principle. Thus I see no error in the Court's conclusory finding that the 1950 application described an unworkable process.

Defendants' motion for modification of the Court's decision is therefore denied.

Entered this 25th day of March, 1965.

FREDERICK O. MERCER,
United States District Judge.

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No. 1051

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1966

UNION CARBIDE CORPORATION, *Petitioner,*

vs.

E. I. duPONT de NEMOURS and COMPANY, *Respondent.*

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

BRIEF FOR RESPONDENT IN OPPOSITION

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OPINIONS BELOW

The opinion of the District Court for the Southern District of Illinois in the companion (Peoria) case, reported at 238 F.Supp. 540 (not printed with the Petition), is appended hereto, *infra,* p. 1a. The judgment in that case is also appended hereto, *infra,* p. 13a.

QUESTIONS PRESENTED

The Petition presents questions for review which are hypothetical and which presuppose circumstances not present in this case.

Petitioner (Carbide) presupposes a finding in Peoria that the disclosure of Traver's 1950 patent application was insufficient to enable one skilled in the art to practice the invention within the meaning of 35 U.S.C. § 112. Yet, the Court of Appeals held squarely that the Peoria court did not intend to deal and did not deal with that question (Pet. 8a).*

The Court of Appeals also held that the "finding" on which Carbide relies was not essential to the judgment in Peoria and hence could not be conclusive in this action (Pet. 6a, 8a).

Under the terms and circumstances of this case, we believe that Carbide can present only two questions for review:

1. The threshold question—Was the Court of Appeals correct in holding that the issue in question was neither present nor determined in the Peoria case?

2. Was the Court of Appeals correct in holding that a finding in one case must be essential to the judgment before it can be given collateral estoppel effect in a later suit?

Plainly, the Court of Appeals answered these questions correctly. There is no conflict of decisions. There is no important question for this Court to review. There is no need for this Court to exercise its supervisory powers. There is nothing in this case which warrants review by this Court.

STATEMENT

The case is well stated by the Court of Appeals (Pet. 1a).

Carbide asserts (Pet. 5), incorrectly, that the Court of Appeals held Respondent (DuPont) could *relitigate* the

* "Pet. 8a" refers to the Petition, page 8a.

sufficiency of Traver's 1950 application "even though the same question had been fully submitted and twice carefully decided against" DuPont in the Peoria case. The Court of Appeals did not hold that DuPont could "relitigate" this or any other question. It simply held that DuPont was entitled to litigate a question which had never before been litigated.

ARGUMENT

I.

THE DECISION BELOW IS CLEARLY CORRECT

The Court of Appeals reversed the summary judgment as to the Traver patent on two grounds. It held that the sufficiency of Traver's 1950 application under 35 U.S.C. §§ 112 and 120 had not been at issue or determined in the Peoria case, and that in any event the alleged "finding" relied upon by Carbide was not essential to the judgment in Peoria and could not conclude DuPont in this action.

The decision of the Court of Appeals is correct on both grounds.

A. The Court of Appeals Was Correct in Holding That the Sufficiency of Traver's 1950 Application Under 35 U.S.C. §§ 112 and 120 Was Neither at Issue Nor Determined in the Peoria Case.

Carbide does not really challenge the Court of Appeals holding that the Peoria case did not deal with the sufficiency of Traver's 1950 application. Carbide simply assumes, without analysis, that the Peoria court's digressory remark determined the 1950 application to be insufficient within the meaning of 35 U.S.C. §§ 112 and 120.

We submit that the Court of Appeals was plainly correct in concluding that the Peoria court did not find Traver's 1950 application to be insufficient in the sense that it failed to comply with 35 U.S.C. §§ 112 or 120. On numerous occasions, both before and during the trial, the Peoria court held that the sufficiency of Traver's application was not before it (*infra,* 3a, 11a; R 169, 171-172).* Moreover, neither Carbide nor Traver or DuPont offered any evidence in Peoria for the purpose of demonstrating compliance or lack of compliance with 35 U.S.C. §§ 112 and 120.

The Peoria case was a 35 U.S.C. § 146 review of a Patent Office interference which involved claims, covering a "corona discharge" process, that had been formulated specifically for interference purposes (Pet. 4a). Traver's 1950 application described his invention in terms of "electrostatic discharge," and did not mention "corona discharge" (Pet. 4a). Carbide therefore contended that the 1950 application impeached Traver's evidence that he had previously discovered and practiced the "corona discharge" process recited in the interference claims (*infra,* 4a-11a; R 94, 114-116).** The Peoria court considered this argument, but rejected it (*infra,* 8a).

The Court of Appeals concluded that Judge Mercer's interest in Traver's 1950 application was not its sufficiency under 35 U.S.C. §§ 112 or 120, but whether, as urged by Carbide, it cast sufficient doubt on the credibility of Traver's witnesses to warrant disbelieving them (Pet. 8a). The Court of Appeals correctly read and interpreted Judge Mercer's digressory remark concerning Traver's 1950 application.

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* "R. 169" refers to Appellant's Printed Appendix in the Court of Appeals, page 169.

** The interference claims are not involved in this action. The Traver patent defines the invention more broadly in terms of "electrostatic discharge" (Pet. 4a).

B. The Court of Appeals Was Correct in Holding That the "Finding" on Which Carbide Relies Was Not Essential to the Judgment in Peoria and Could Not Conclude Du-Pont in This Action.

The Court of Appeals recognized the vital role of the judgment in the operation of the doctrine of collateral estoppel and applied the well-established rule that a finding must be essential to a judgment before it can be given collateral estoppel effect in a later suit, quoting *Yates* v. *United States*, 354 U.S. 298, 336 (1957), and citing 1B *Moore, Federal Practice*, ¶ 0.441(2) at 3777 (2d ed. 1965) (Pet. 6a).

(1)

Carbide concedes that there is a rule of essentiality to the judgment, but disagrees with it. Carbide urges (Pet. 8-9) that a fact or question once determined in an action should not be open to dispute in a later case, quite apart from its essentiality to the judgment. Carbide's proposition has no support in the authorities, however, and the cases upon which it relies—insofar as they deal with collateral estoppel—support the rule followed by the Court of Appeals. *Railroad Companies* v. *Schutte*, 103 U.S. 118 (1880), upon which Carbide places its principal reliance (Pet. 11), is at most a *stare decisis* case, not a collateral estoppel case at all. See 1B *Moore, Federal Practice*, ¶ 0.443(5) at 3925-28 (2d ed. 1965).

The rule of essentiality to the judgment is recognized as a sound rule. As Professor Moore says (1B *Moore, Federal Practice*, ¶ 0.443(5) at 3922 (2d ed. 1965), this rule gives "the assurances of integrity and correctness that the judicial process affords to genuinely dispositive adjudications." The rule urged by Carbide would require winning litigants to comb judicial opinions for adverse comments which might

be prejudicial if given conclusive effect in future litigation. The door would be opened to a wide new area of post-trial motions and appellate litigation.

(2)

Carbide lays down the challenge (Pet. 11) that application of the rule of essentiality followed by the Court of Appeals would mean that a party can never be bound by a finding of fact against him where the ultimate judgment was in his favor. We submit that such a result is sound and is supported by the authorities. 1B *Moore, Federal Practice*, ¶ 0.416(5) at 2302-08, ¶ 0.443(5) at 3922-23 (2d ed. 1965); *Restatements, Judgments*, § 68, comment o at 309 (1942); *Thomas & Betts Co.* v. *Electrical Fittings Corp.*, 100 F.2d 403 (2d Cir. 1938), *rev'd on other grounds*, 307 U.S. 241 (1939); see *Partmar Corp.* v. *Paramount Pictures Theatres Corp.*, 347 U.S. 89, 99, n. 6 (1955).*

Carbide urges that the rule of essentiality to the judgment has led to widespread confusion between the circuits and even between judges in the same circuit (Pet. 12-14). The confusion is wholly imaginary so far as the application of the rule to this case is concerned. None of the cases relied upon by Carbide challenge the rule of essentiality itself. These cases simply indicate that essentiality to the judgment by itself may not always be enough. Even though a finding may have been essential to a judgment in an earlier case, it may still be inappropriate to give it conclusive effect in a later case, unless it involved an ultimate rather than an evidentiary fact, or unless it involved an

* Carbide urges that the rule of collateral estoppel followed by the Court of Appeals is in conflict with the *Electrical Fittings* case. We disagree. We believe that Judge Learned Hand was correct in his interpretation of the *Electrical Fittings* case as expressed in *Harries* v. *Air King Products Co.*, 183 F.2d 158, 161 (2d Cir. 1950).

issue which the parties (not the court, as suggested by Carbide) could foresee as the subject of future litigation between them.*

(3)

Carbide urges strongly that *Becher* v. *Contoure Labs*, 279 U.S. 388 (1929), is in conflict with the decision of the Court of Appeals (Pet. 15-16). We submit this is not so. *Becher* is clearly distinguishable from the instant case. In the first place, the fact question in the prior action was precisely the same as the fact question in the second action. Secondly, the judgment in the prior action was against Becher, the party sought to be estopped in the second action. Thirdly, the finding against Becher in the earlier case was plainly essential to the judgment in that action.

(4)

Lastly, Carbide argues that the collateral estoppel effect of a judgment should not depend upon whether the judgment has been examined by a court of review (Pet. 17-18).

The short answer to this argument is that we do not now urge, nor have we ever urged, such a proposition. The proposition we urged below, and which we urge here, is that DuPont could not have obtained appellate review of the Peoria court's remark concerning Traver's 1950 application because the judgment was in DuPont's favor. This is a further reason why this remark cannot conclude DuPont in this case. *Restatement, Judgments*, § 69(2) (1942); 1B *Moore, Federal Practice*, ¶ 0.916(5) at 2302-03, ¶ 0.443(5) at 3923 (2d ed. 1965); *Electrical Fittings Corporation* v.

* The cases relied upon by Carbide are irrelevant here for an additional reason. The judgments in the prior cases were against the parties sought to be estopped in the later cases. Here, the judgment in the prior case was in favor of DuPont, the party sought to be estopped in the present case.

Thomas & Betts Co., 307 U.S. 241 (1939), *reversing* 100 F2d 403 (2d Cir. 1938); *Partmar Corp.* v. *Paramount Pictures Theatres Corp.*, 347 U.S. 89, 99, n. 6, 109 n. 8 (1954).

Nothing in the cases cited by Carbide remotely suggests that DuPont had a right of appeal from the Peoria judgment in its favor or from the order denying its post-trial petition to alter a few words in the Peoria court's opinion. Indeed, *Partmar Corp.* v. *Paramount Pictures Theatres Corp.*, 347 U.S. 89, 99, n. 6 (1954), cited by Carbide, recognizes the very propositions we urge here: a prevailing party may not appeal from a finding when that finding is not necessary to the judgment, and in such a case the finding does not form the basis for collateral estoppel.

II.

THERE IS NO REASON FOR THIS COURT TO REVIEW THE DECISION BELOW

No amount of strained argument can convert this case into one warranting review by this Court on certiorari.

There is no conflict of decisions. There is no important question for this Court to review. There is no need for this Court to exercise its supervisory powers.

The court below quite properly reversed a summary judgment which would have deprived DuPont of the right to a trial on the validity of its Traver patent. In so doing, the court applied long-established and well-recognized rules of the doctrine of collateral estoppel.

In large part, the decision below turned on its own facts, and affects no one but the parties to this case. The Court of Appeals disagreed entirely with the District Court and held that the question which the District Court considered

to have been determined in the Peoria case was in reality not dealt with in the Peoria case at all. This Court should not be asked to review the determination by the Court of Appeals on this point, only to be faced with a question which has so little substance—whether a non-essential, digressory comment in a case which DuPont won can conclude DuPont in this case and deprive it of the right to a trial on the question of validity of the Traver patent.

CONCLUSION

For the foregoing reasons, it is respectfully submitted that the Petition for a Writ of Certiorari should be denied.

March 10, 1967.

Respectfully submitted,

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UNION CARBIDE CORPORATION,

Plaintiff,

v.

TRAVER INVESTMENTS, INC., & E. I. DuPont de Nemours & Company,

Defendants.[1]

Civ. A. P-2445.

United States District Court
S. D. Illinois, N. D.
Jan. 28, 1965.

MERCER, Chief Judge,

This suit is prosecuted under 35 U.S.C. § 146 to try the issue of priority of invention between competing patent applications.

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[1] In this suit, which was transferred to this Court by the United States District Court for the District of Columbia, Howard Plastics, Inc., filed the complaint naming Traver Investments, Inc., and Union Carbide Corporation as defendants. Union Carbide filed a counterclaim against Howard and a cross-claim against Traver. Thereafter, DuPont intervened in the suit and is an additional defendant. Shortly prior to trial of the cause, Howard's complaint was dismissed upon its own motion leaving only the cross-claim by Carbide against Traver as the pleading in issue. For convenience, the parties have been realistically realigned to treat Carbide as the plaintiff and Traver and DuPont as defendants.

THE INVENTION

Prior to 1949 polyethylene film had acquired a prominent place in the market as a packaging material. A major fault of the raw film was that the surface was not ink retentive. Printed matter could be placed thereon, but the ink flaked off and readily washed away when such film was exposed to moisture. The inventive concept involved here is a process to remedy that fault.

The inventive concept in issue is a process for exposing untreated film to high voltage corona discharge of sufficient intensity and duration to achieve the desired result. Specifically, the corona discharge is created by applying voltage of an approximate minimum of 10,000 volts to an Oxy-Dry tube or other conductor element which is spaced approximately one-eighth of an inch above a suitable ground plate. As the voltage approaches 10,000 volts, a corona field is created between the conductor and ground plate. When untreated polyethylene is exposed to that corona by being placed within or passed through the corona field, treatment of the film's surface is achieved which renders the film readily retentive of inks placed thereon.

The Competing Applications

Plaintiff, Union Carbide, is the assignee of patent application No. 217,144, filed March 23, 1951, by George A. Adams and Sydney J. Wakefield.

Defendant, DuPont, is the present owner, as successor to defendant, Traver, of patent application No. 345,015, filed March 27, 1953, by George W. Traver.

For convenience, those applications are hereinafter referred to as the Adams and Traver applications, respectively.

In 1954 the Patent Office determined that an interference existed between the Adams Application, the Traver application and an application filed by the predecessors in title of Howard Plastics, Inc. After a hearing before the Patent Office Board of Patent Interferences, that Board ruled, on July 25, 1960, that Traver was the prior inventor of the process and awarded priority of invention to the Traver application. Following the interference, and as a result of the interference, Patent No. 3,018,189 was issued to Traver. That patent is now owned by the defendant, DuPont.

Since Howard abandoned its claim of priority prior to the trial of this case,[2] the issue remains only with respect to the competing claims of priority as between the Adams and the Traver applications.

The Issue and Applicable Law

The primary issue raised in this proceeding is the question of priority of invention as between those parties to the interference, namely, Traver on the one hand, and Adams and Wakefield on the other. No other issue can arise in this litigation until and unless it be determined that plaintiff is entitled to prevail. Howard Plastics, Inc. v. Traver Investments, Inc., et al, S.D.Ill., 205 F. Supp. 522. No issue can arise as to the sufficiency of the Traver application or as to the validity of the Traver patent. The scope of the proceeding is limited by the provisions of the statute. Ibid.

This suit is a trial de novo of the interference issue, not an appeal from the Board's decision. Cf., Globe-Union, Inc. v. Chicago Telephone Supply Co., 7. Cir., 103 F.2d 722, 724. To prevail, plaintiff must carry a heavy burden of proof. In Morgan v. Daniels, 153 U.S. 120, 124, 125, 14 S.Ct.

[2] See footnote 1.

772, 773, 38 L.Ed. 657, the Court said that a Patent Office decision upon the question of priority must be accepted as controlling upon the question of fact of priority in any subsequent suit between the parties to the interference "unless the contrary is established by testimony which in character and amount carries thorough conviction." That principle has been restated and followed in enumerable cases subsequent to Morgan. E.g., Globe-Union, Inc. v. Chicago Telephone Supply Co., 7 Cir., 103 F.2d 722, 727; General Motors Corp. v. Bendix Aviation Corp., N.D.Ind., 123 F.Supp. 506, 515-516; United States v. Szuecs, 100 U.S.App. D.C. 24, 240 F.2d 886; Esso Standard Oil Co. v. Sun Oil Co., 97 U.S.App.D.C. 154, 229 F.2d 37, 40.

Upon an interference, the question is which of the competing applicants was the first to conceive and reduce to practice the invention described. The Board resolved that issue in defendants' favor. Its decision should stand unless plaintiff has proved to the point of thorough conviction that the Board made a mistake.

The Evidence and Facts

Perhaps the most persuasive evidence in plaintiff's favor is the patent office history of the Traver application. On October 26, 1950, Traver filed his patent application No. 192,313 describing a method for treatment of polyethylene by electrical discharge. The Interference Examiner found, and properly so, that that application did not describe the corona discharge process. That application was followed by a second application filed by Traver on March 18, 1952, as a continuation in part of his 1950 application. Slightly more than one year later, Traver filed his application which was the subject of the interference and involved in this suit.

As I have previously noted, the Adams application for the corona discharge process was filed March 23, 1951, a

date which preceded the third Traver application by slightly more than two years.

At first blush one wonders why the corona discharge principle was not a part of the first Traver application if, in fact, the process had been conceived and reduced to practice by him. Though that question remains unanswered, I think that plaintiff has failed to prove to a thorough conviction that the Board was wrong.

The testimonial, deposition and documentary evidence before the court is voluminous. The process was demonstrated by experts before the court. Of course, the evidence contains contradictions which I deem it unnecessary to comment upon or resolve. The balance of this section of the opinion will set forth a summary of evidentiary facts which convinces me that defendants are entitled to judgment in their favor.

Since it is necessary to refer to several entities and individuals through whom the interests of the parties are derived, all such are here identified as follows.

At all times material to this suit, Adams and Wakefield were employed by Visking Corporation, (hereinafter Visking), which was the original owner of the Adams application. Visking merged with plaintiff, Carbide,[3] and was the source of plaintiff's ownership of that application.

At all times material to this suit, George W. Traver was an officer and principal stockholder of Traver Corporation to which the Traver application was assigned. Traver Corporation assigned the application to defendant, Traver Investments, Inc., which, in turn, assigned that application to defendant, DuPont. Except as the context otherwise requires, hereinafter "defendant" is employed as a refer-

[3] Visking Corporation is now a division of the Ethyl Corporation.

ence to DuPont and Traver Investment, "Traver" as a reference to George M. Traver and Traver Corp. as a reference to Traver Corporation.

In and prior to 1949, Visking was one of the large producers of polyethylene film. Traver Corp. was a manufacturer and printer of commercial packaging made from cellophane, polyethylene and similar materials. At times material to this suit, Visking supplied practically all of the polyethylene film used by Traver Corp. in its operations.

During that period of time, everyone connected with the polyethylene industry was seeking a method of treatment of the film to improve ink adhesion. Various conceptions of method were tried, including a flame treating method developed by M. F. Kritchever.

In the Spring of 1949, Kritchever submitted samples of polyethylene film, treated by his flame treating process, to employees of Traver Corp. Tests made by such employees revealed that ink adhesivity was improved upon such samples. Kritchever did not at that time, however, reveal his method of treatment.

Shortly thereafter, in May or early June, 1949, Traver conceived the idea of subjecting polyethylene film to an electrical charge as a treatment means. In its printing business, Traver Corp. employed Oxy-Dry tubes upon a number of printing machines to eliminate off-set in the printing operation. The evidence indicated that a corona discharge resulted from such use. Traver made a preliminary trial of his conception by attaching a sheet of polyethylene film to the cellophane web on a Meisel cellophane printer and inching the sheet past the several Oxy-Dry tubes installed upon the machine to eliminate off-set. That preliminary experiment convinced Traver that the discharge from the tubes did improve the quality of ink adhesivity to the film.

Traver then instructed two Traver Corp. employees, Frederick J. Pool and Arthur B. Groh, to conduct experiments with the use of electrical discharge as a means of treatment of polyethylene for ink retentiveness. The precise date when such instructions were given is not known, but the date was prior to June 6, 1949.

In June, 1949, Groh mounted a single Oxy-Dry tube above a metal plate on a table. By applying voltage to the tube from a 10,000 volt transformer, Groh found that polyethylene film placed between the tube and ground plate, and subjected to the electrical discharge of the tube, would retain ink.

Groh disclosed his findings to Pool, who experimented, during June and July, 1949, with a rigidly mounted multi-tube set-up. With that set-up, with each Oxy-Dry tube activated by a 10,000 volt transformer, Pool achieved successful treating of polyethylene.

It does appear that neither Groh nor Pool understood what was taking place in the treatment process. What they did discover was that an electrical charge of 10,000 volts or more applied to the tubes, while the tubes were spaced approximately ⅛ inch above the ground plate, with several seconds exposure of the film in the field between the ground plate and the tube achieved successful treatment. It seems doubtful upon the evidence adduced that they, or Traver, then recognized that the secret of success was the corona discharge from the tubes.

In the summer or fall of 1949, work was begun upon the development of a continuous-process, treatment machine, necessary for the commercial exploitation of the process. In December, 1949, one metal cyclinder of a Cameron slitter machine was equipped with a series of Oxy-Dry tubes, mounted transverse the cylinder and approximately ⅛ inch

above the surface thereof. Successful, continuous treatment of the film was achieved.

Digressing, it seems singular that the Traver Corp. employees kept no log or record of their experimentation with the process. That fact, coupled with the fact, to which allusion was previously made, that Traver's 1950 application described an unworkable method, tends to cast doubt upon the credibility, or memory, of the Traver Corp. employees above mentioned.

There is, however, corroborative evidence to dispel that doubt. First, there is in evidence correspondence between Pool and Traver relative to the experimentation and the results achieved. Secondly, and of substantial importance, the depositions of Herbert Harris and Elson B. Cahn were read into evidence.

In and prior to December, 1949, Cahn was the general sales manager for Visking and Harris was a Visking salesman who handled the Traver Corp. account. Harris testified that Paul Traver, a brother of Traver, had shown him the Cameron slitter machine and had made tests of material treated thereon for Harris' benefit just prior to Christmas of 1949. Harris testified that he saw the machine in operation several days later and saw further tests for ink adhesivity made upon the material treated. Harris reported the fact of the development of the machine and process to Cahn either in early January or no later than February of 1950. Cahn could not remember precisely to whom he had reported Harris' disclosure, but he was sure that he did report the information to the supervisory personnel of Visking.

When Cahn's deposition was taken, Visking was a subsidiary of plaintiff corporation and Cahn then described himself as an advisory employee of Carbide.

Traver Corp. began commercial production of treated polyethylene in the first quarter of 1950, and delivered an order of printed polyethylene poultry bags in March, 1950. Two other orders for poultry bags were received and processed by Traver Corp. in April and May, 1950.

In August, 1950, Pool disclosed the process and Cameron machine to Traver's patent attorney and the first Traver application was thereafter filed.

Construction of a second continuous treating machine was commenced at Traver Corp. in the fall of 1950, and completed in the summer of 1951. Commercial production by Traver Corp. continued thereafter upon the new machine and the subsequent continuation in-part patent applications were filed as previously related, on March 18, 1952, and March 29, 1953.

From that summary, I conclude that Traver did conceive and reduce to practice the corona discharge method of treatment in the latter part of 1949.

In February, 1950, Visking's production manager, M. E. Kennedy, and Adams met with Kritchever to discuss the latter's flame-treatment process. At that time Kennedy asked Adams if he thought an electrical shock treatment might make polyethylene ink retentive. In March, Kennedy assigned Adams and Wakefield to work upon that idea. Improved adhesivity was achieved by passing the film between an Oxy-Dry tube and a ground plate and between a metal plate electrode and metal ground. Visking tested a power-driven machine in April of 1950. A commercial machine was completed at Visking's Terre Haute, Indiana, plant in July of 1950, and commercial samples were sent to Visking customers in September. Commercial production was begun by Visking in January, 1951, preceding the Adams patent application by approximately two months.

I think it clear, therefore, that plaintiff has failed to adduce convincing proof that Adams and Wakefield were the prior inventors of the process and that the Board's decision was wrong. To the contrary, it appears that their first reduction to practice of the process on an experimental basis occurred in March, 1950, approximately three months after Traver had completed the Cameron slitter modification for commercial exploitation of the process.

The reality of the fact is, I think, conceded by the thrust of the brief filed by plaintiff which is aimed at certain contradictions and inconsistencies in the testimony and the fact that no Traver application mentioned corona discharge until an amendment was filed about November, 1954.

I think the argument merely reiterates what I said at the start of this factual summary that areas of doubt exist. The development of the process as described by Pool and Groh appears to have been a hit or miss proposition. The spacing between the conductor unit and ground is a critical factor, yet no measurements were ever taken as to the precise spacing. As Pool said, variously, the space was about 1/8 inch or we placed the tubes as close as we could to the drum of the slitter. It seems likewise clear that Pool and Groh did not grasp the reason for the success of the process, i.e., the part played by corona discharge. As Pool testified, as late as August of 1950, neither he nor Traver "knew what was taking place or why precisely." Further, "we knew that an Oxy-Dry tube under certain conditions would do the job. Why and what it did we didn't know."

Pool described those conditions as exposure of the film for several seconds to an electrical field produced by an

Oxy-Dry tube spaced about 1/8 inch above a ground to which the output of a 10,000 volt transformer was applied.[4]

If the witnesses are to be believed, Pool and Traver discovered the conditions for successful corona discharge treatment. They knew what they were doing and could and did reproduce and adapt that knowledge to commercial production. Having achieved a workable result, it was not any the less an invention if we assume they were without knowledge of the scientific principle of that success. They knew the how, and it is not necessary that they knew why it worked. Diamond Rubber Co. of New York v. Consolidated Rubber Tire Co., 220 U.S. 428, 435, 436-437, 31 S.Ct. 444, 55 L.Ed. 527; Electric Storage Battery Co. v. Shimadzu, 3 Cir., 123 F.2d 890, 897.

The evidence adduced falls far short of producing a thorough conviction that plaintiff should prevail. In my view of the matter, the evidence preponderates in favor of the decision reached by the Board of Interferences.

Plaintiff seeks to raise an issue of a prior use bar against the Traver patent. That issue relates to the validity

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[4] Some contradiction is found in the Pool testimony relative to the exact spacing used, with Pool saying at one point on cross-examination that treatment was achieved at 1/4 inch spacing and 10,000 volts. The testimony and demonstrations conducted in court show that corona discharge is necessary and that treatment of polyethylene in air cannot be achieved at 1/4 inch spacing between the ground and electrode and 10,000 volts.

Pool's direct testimony was that about 1/8 inch spacing was used. He described the physical manifestations of corona discharge as being present upon his successful experiments. The contradictions which exist within his testimony do not compel the conclusion that he is not to be believed or the conclusion, which plaintiff suggests, that he did not achieve corona discharge at all.

of the patent, not to the question of priority. That being the case, the issue cannot be raised in this proceeding.

The above memorandum contains the court's findings of fact and conclusions of law.

An order will be entered dismissing plaintiff's cross complaint.

UNITED STATES DISTRICT COURT.

* * (Caption—Civ. A. P-2445) * *

JUDGMENT.

This action came on for trial before the Court, Honorable Frederick O. Mercer, United States District Judge, presiding, and the issues having been duly tried and a decision having been duly rendered,

It is Ordered and Adjudged that Plaintiff's cross complaint is dismissed and judgment is entered in favor of Defendants Traver Investments, Inc. and E. I. DuPont de Nemours & Company, and against Plaintiff Union Carbide Corporation.

Dated at Peoria, Illinois, this 28th day of January, 1965.

WILLIAM J. LITTELL,
Clerk of Court.